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ABSTRACT

This document is one in a series of follow-up studies of research begun in 1976 into public knowledge of and attitudes toward the American economic system as a result of an economic awareness advertising campaign. Generalizations and tabular information based on progress through the second year of the research is presented. The document begins with an outline of research objectives, including measuring overall effectiveness of the advertising campaign and determining future directions of the research. The second section summarizes results from the 1977 post research study, including that more Americans were aware of the campaign (six percent in 1977 as compared with three percent in 1976), that one third (36%) of the population believed that there was not enough government regulation of economic activity, and that a newspaper supplement containing information about the economic system reached nine percent of the adult population which was otherwise unaware of the campaign. Following these generalizations is a section of tables describing changes in public opinion about economic system needs, government regulation, the tax structure, decisions on uses of natural resources, and changes in awareness of the economic system and of advertising related to the system. The document concludes with appendices describing survey questions and responses. (DB)

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SUMMARY OF RESEARCH

Study on Advertising Awareness and Understanding of the American Economic System

POST STUDY, PHASE III

(Two Years After Start of Advertising)

Conducted for The Advertising Council, Inc.

by

Edwards & Moreto Associates, Inc.

June 1978
Nationwide
2000 Men and Women
18 Years of age and over.

Research Department
COMPTON ADVERTISING, INC.
RPO 78-225 (III)

SO 011 992

INTRODUCTION

In June 1976, Compton Advertising conducted a benchmark research study into the public's knowledge of the American economic system. The study was timed to coincide with the launch of The Advertising Council's advertising campaign. The design was a pre and post study and was repeated in 1977 after the advertising campaign had been running for a year. This is the second post study and measures progress through year II of the campaign.

The advertising, both print and TV, aimed at informing the general public of the importance of understanding how our economic system works and specifically calling attention to the booklet, "The American Economic System... and your part in it" which explains the basics of the system's operations.

During 1977-78 a new advertising pool focusing on one's "Economic Quotient" was introduced. In addition, the booklet was published as a supplement in a number of newspapers through the country.

The objective of The Advertising Council's research program is:

1. To measure the overall effectiveness of The Council's advertising effort (what Americans know and believe about the economic system, overall awareness of the advertising campaign, awareness and response to the booklet), and

2. To guide future action in the continuation of the program.

The questions for the pre and post studies were written to measure both knowledge of the system and attitudes toward it. The questionnaire used in the previous studies was used again this year with a section added to measure awareness of the newspaper supplement.

SUMMARY OF ECONOMICS RESEARCH POST STUDY II

As was shown in our research results from the study made last year, changes that occur in people's understanding and knowledge of our economic system are glacial and difficult to measure. While there are no dramatic changes, there are appreciable changes and we find that The Advertising Council's campaign continues to reach more and more Americans...

1. Six percent of all Americans reported getting a copy of the booklet, "The American Economic System...and your part in it". That's double the three percent of a year ago.

   ...Eighty-three percent (83%) of those receiving, almost 7½ million people, got it through bulk distribution from organizations.

   ...Seventeen percent (17%), about 1½ million people, received it By writing for it directly.

   Those groups with above average receipt of the booklet include: young people (under 25 years) and students; white collar workers; middle income people ($10,000-$19,999); people who attended trade schools, blacks, and employed females.

   This suggests booklet distributions in schools, on the job and through trade organizations.

   Twenty-eight percent (28%) of those aware of the campaign received a booklet...up from the 23% of last year.

2. About 1/3 of the sample can recall an advertising campaign about our economic system.

NOTE: Figures based on adult population 18 years of age and older estimate of 151,216,000 (in 48 contiguous states), Bureau of Census, Current Population Reports, Series P-25 #721 April, 1978.

Twenty percent (20%) of all adults indicate awareness of The Advertising Council's campaign. This is a 66-2/3% increase over last year's 12%, recalling at least one of the campaign's unique elements....

...unique recall of the advertising

...the booklet

...the newspaper supplement

3. The campaign reached broader segments of the population in 1978... with different groups responsive to new efforts. In 1977, only those educationally and financially upscale were most familiar with the campaign.

This year additional groups such as the middle-incomed, the retired, those with less skills and formal education and blacks also show heightened awareness.

The booklet publication in newspaper supplements was very effective among segments that had been more difficult to reach directly with the booklet.

Awareness of the booklet was especially high among students, young people, white collar service workers, the middle income people and college graduates.

The newspaper supplement booklet reached the elderly, retired, low income workers, less educated, and the conservatives.

Blacks were reached this year by both sources.

Effective reach of the newspaper supplement was virtually complete...

...Newspapers carrying the supplement cover 9% of the adult population.

...9% of the sample said they saw the supplement.

4. Americans believe it is very important to know how the economic system works... while the great majority feel this way, the number continues to increase...up to 84% from 81% a year ago.

Many groups show increased belief in the importance of this knowledge but particularly strong increases are shown by those under 25 years, those 40-59 years and most of all by blacks.

5. Two-thirds (64%) of the total U.S. population say they have greater interest in the American economic system than they had a year ago. This is a 5% gain over 1977.

A sharp upward interest in the economics of the country is registered by the middle-income group ($15,000-$19,999), students, those in the West, as well as the better educated, higher income segments of the population.

Those aware of the advertising register a significant increase in interest.

6. There is a growing self-appraisal among Americans on their own knowledgeability of the economic system. People rate themselves more knowledgeable than they did at the beginning of the advertising campaign.

The sixty-three percent (63%) represents a significant growth over the 59% of two years ago.

> Those groups in the population showing the greatest spur in evaluation of their own knowledgeability include many of the same groups that were identified as being above average in having received the booklet or seeing the newspaper supplement... i.e., working women, clerical/sales workers, middle income people, the retired and the conservatives.

7. About a third (36%) of the population feels that there is not enough government regulation of economic activities. The trend from 1976 to 1978, however, is a decline in the size of the group who feel there is "not enough" government regulation (41% in 1976 down to 36% in 1978)...that's 7-1/2 million fewer Americans who think economic activities need more government involvement.

> Most sub-groups follow this decline pattern.
>
> This change in attitude is most pronounced among men, those over 40 years of age, those living in the Northeast and West, homemakers, professional/managerial people and liberals.

At the same time, more people than ever before feel that there is too much government regulation of economic activities (44%).

8. People continue to feel business is not paying its fair share of taxes...a little more than fifty percent (53%) of the population indicate that business pays less than its fair share of taxes.

This is only a slight drop from 1977. Those who think business pays its fair share remain the same (34%). Ten percent (10%) of the population says business pays more than it should.

> Women, especially homemakers, and the 23-29 year olds show most attitude change in 1978 and are less negative about business tax payments than they were a year ago.

9. People are more inclined this year (24%, up from 20% in 1977) to feel the economic system needs many changes (before it can be called good)...This may be a comment on the high level of inflation... the groups most affected by upward price spirals are precisely the ones registering the largest attitude shifts for "many changes".

> Particularly large increases in the number feeling "many changes are needed in the economic system" are registered by the elderly, the retired and homemakers. Significant increases are also shown by segments like those in the Midwest, clerical/sales personnel, the highest income group ($20,000+), liberals and conservatives.

10. All population sectors should be involved in deciding how national resources are used...so say over two-thirds of all Americans. But there is an increase in the thinking that consumers should decide...up from 9% in 1977 to 12% in 1978...a 33½% increase.

> Most people feel all sectors of American life should be involved with the use of natural resources. The number of people who believe that government should decide on the use of natural resources declined in 1978 from 1977. There has been a corresponding increase in the number who believe that consumers should be the sector of the economic system that decides on resource usage.

OPINION ON AMOUNT OF CHANGES ECONOMIC SYSTEM NEEDS

In 1978, attitude toward the economic system is almost identical to that found in 1976. While 1977 witnessed a somewhat more favorable attitude it was not sustained into 1978.

The shifts from 1977 to 1978 are marked by a decrease in the number of people who feel only a change or two are needed and a corresponding increase in the number who feel the system needs many changes (before it can be called good).

Groups reflecting this pattern of attitude shift from 1977 to 1978 include women (reflective primarily of those who are homemakers), the elderly and the retired, those residing in the Midwest, white collar workers, higher incomed people, those with high school education, and both liberals and conservatives.

TABLE I

OPINION ABOUT AMOUNT OF CHANGES ECONOMIC SYSTEM NEEDS
(Significant differences in 1978)

Question: "I am going to read some statements. Tell me which comes closest to how you feel. The American economic system: Is it good the way it is and needs no changes, is good but could stand a change or two, has some good things about it but needs a number of changes, needs many changes before it can be called good?"

	SYSYEM NEEDS			
	No Changes %	A Change Or Two %	Number of Changes %	Many Changes %
Total population				
1978	3	27**	45	24**
1977	3	33	44	20
Pre study	3	29	45	23
Females				
1978	1	23**	48	28**
1977	1	30	47	21
Pre study	2	26	46	25
60 + years of age				
1978	6	14**	41	39**
1977	5	29	37	29
Pre study	8	19	38	36
Midwest				
1978	3	29*	43	24**
1977	3	34	45	18
Pre study	3	29	47	22
Homemaker				
1978	2	23**	46	28**
1977	2	32	46	20
Pre study	2	26	47	25
Retired				
1978	4	17**	38	41**
1977	6	27	36	32
Pre study	9	20	32	38

TABLE I (Cont'd)

OPINION ABOUT AMOUNT OF CHANGES ECONOMIC SYSTEM NEEDS
(Significant differences in 1978)

	SYSTEM NEEDS			
	No Changes %	A Change Or Two %	Number of Changes %	Many Changes %
Clerical/Sales				
1978	2	24**	51	23**
1977	3	35	47	15
Pre study	2	35	42	21
$20,000 + income				
1978	4	32**	43	21**
1977	4	38	47	10
Pre study	4	37	46	13
Some high school				
1978	3	22*	38	37*
1977	3	30	38	29
Pre study	3	21	43	33
High school graduate				
1978	3	23*	47	27*
1977	2	31	43	24
Pre study	3	29	43	25
Liberal				
1978	2	23**	50	24*
1977	2	29	49	20
Pre study	1	26	50	23
Somewhat liberal				
1978	2	25**	50	23**
1977	2	31	50	17
Pre study	4	33	42	20
Somewhat conservative				
1978	3	31**	44	21*
1977	4	38	41	18
Pre study	4	33	42	20

TABLE I (Cont'd)

OPINION ABOUT AMOUNT OF CHANGES ECONOMIC SYSTEM NEEDS
(Significant differences in 1978)

	SYSTEM NEEDS			
	No Changes %	A Change Or Two %	Number of Changes %	Many Changes %
Conservative				
1978	4	29**	43	24**
1977	4	36	41	19
Pre study	5	32	41	22
Blacks				
1978	4 *	15	45**	36**
1977	1	19	31	49
Pre study	1	17	40	42
Aware of advertising				
1978	3	29*	46	22**
1977	3	27	45	25
Not aware of advertising				
1978	3	27**	45	25**
1977	3	33	43	21

* Significantly different at the 90% level of confidence.

** Significantly different at the 95% level of confidence.

No significant difference between aware and not aware of advertising in 1978.

This is to be interpreted as follows: If the differences between two numbers is significant at the 90% level, there are 90 chances in 100 that differences as large as those shown are real.

OPINION ON AMOUNT OF GOVERNMENT REGULATION REQUIRED
(of Economic Activities)

This second post study continues to show a decline in the American public's feeling that there is not enough government regulation of economic activities especially compared to 1976.

Most subgroups follow this pattern.

This decline is most pronounced among men, those over 40 years of age, those living in the Northeast and West, homemakers, professional/managerial workers.

Those aware of the advertising and/or booklet run counter to the trend...this group shows an increase for the number which says there is not enough government regulation.

TABLE II

OPINION ON AMOUNT OF GOVERNMENTAL REGULATION REQUIRED
(Significant changes in 1978)

Question: "Now I'd like your opinion of government regulation of economic activities. Do you think that at the present time there is too much, just the right amount, or not enough government regulation of economic activities?"

	CURRENT AMOUNT OF REGULATION		
	Too Much	Not Enough	Right Amount
	%	%	%
Total population			
1978	44	36 **	14
1977	43	38	16
Pre study	42	41	13
Male			
1978	50	33**	12
1977	50	34	15
Pre study	45	40	12
Female			
1978	38	39	15
1977	37	41	17
Pre study	40	42	13
25-39 years of age			
1978	42*	49**	13
1977	38	43	17
Pre study	38	44	15
40-59 years of age			
1978	54	27**	12
1977	52	31	14
Pre study	48	38	10
60 years of age and older			
1978	53	26*	12
1977	54	27	13
Pre study	52	32	11

TABLE II (Cont'd)

OPINION ON AMOUNT OF GOVERNMENTAL REGULATION REQUIRED
(Significant changes in 1978)

	Too Much %	Not Enough %	Right Amount %
Northeast			
1978	37	43*	15
1977	33	48	17
Pre study	34	51	13
West			
1978	51	29**	13
1977	52	30	13
Pre study	44	37	16
Homemaker (full time)			
1978	46	32**	13
1977	41	38	16
Pre study	39	44	13
Professional/managerial			
1978	54	28**	14
1977	50	30	16
Pre study	48	34	15
Liberal			
1978	36	42**	16
1977	37	45	16
Pre study	44	49	13
Conservative			
1978	50	32**	13
1977	48	33	16
Pre study	47	36	13
$15,000 -19,999			
1978	46	34	14
1977	40	38	20
Pre study	43	40	13
Aware of advertising			
1978	42	41**	13
1977	46	31	20
Not aware of advertising			
1978	45	34**	14
1977	43	38	15

* Significantly different from 1976 at 90% level of confidence.
** Significantly different from 1976 at 95% level of confidence.

Aware and not aware of advertising in 1978 believing there is not enough regulation differ from each other at 95% level of confidence.

OPINION ON BUSINESS' SHARE OF TAXES

The majority of Americans continue to feel business does not pay its fair share of the tax burden. This attitude is expressed by virtually every group in the population.

Women, especially homemakers, are, however, somewhat less negative about business' tax payments compared to how they felt last year. There is an increase in the number who say business pays more than its fair share coupled with decrease in those saying less than its fair share. This ameliorated attitude is also held by the 25-39 year olds.

TABLE III

OPINION ON BUSINESS' SHARE OF TAXES
(Significant Changes in 1978)

QUESTION: "Which of these statements comes closest to how you feel? Business pays more than its fair share of taxes, business pays its fair share of taxes, business pays less than its fair share of taxes?"

	BUSINESS PAYS		
	More Than Fair Share %	Fair Share %	Less Than Fair Share %
Total population			
1978	10**	34	53*
1977	9	34	55
Pre study	9	35	54
Female			
1978	10*	32	54*
1977	8	31	58
Pre study	10	34	54
25-39 years of age			
1978	9**	33	54**
1977	7	30	62
Pre study	8	34	57
Midwest			
1978	10**	35	53
1977	7	38	54
Pre study	9	36	54
Homemaker			
1978	13**	35	48**
1977	8	34	56
Pre study	12	33	53
Some College			
1978	10*	34	52
1977	7	35	55
Pre study	9	29	61

TABLE III (Cont'd)

OPINION ON BUSINESS' SHARE OF TAXES
(Significant Changes in 1978)

	BUSINESS PAYS		
	More Than Fair Share %	Fair Share %	Less Than Fair Share %
Somewhat conservative			
1978	11**	36	49
1977	8	39	51
Pre study	10	40	48
Conservative			
1978	12*	36	49
1977	9	38	51
Pre study	17	28	53
Aware of advertising			
1978	13	32	53
1977	11	36	51
Not aware of advertising			
1978	10	34	53
1977	8	34	56

* Significantly different at the 90% level of confidence.

** Significantly different at the 95% level of confidence.

OPINION ON WHO SHOULD DECIDE ON

USE OF NATURAL RESOURCES

Most people feel all sectors of American life should be involved with use of natural resources. The number of people who believe that government should decide on the use of natural resources has declined in 1978 from 1977. There has been a corresponding increase in the number who believe that consumers should be the sector of the economic system that decides on resource usage.

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TABLE IV

OPINION ON WHO SHOULD DECIDE ON USE OF NATURAL RESOURCES
(Significant differences in 1978)

Question: "If natural resources are limited, who should decide how the resources should be used: the government, business, consumers, labor, all of them?"

	Government %	Business %	Consumers %	Labor %	All %
Total population					
1978	15	2	12	1	69
1977	17	1	9	2	71
Pre study	14	1	9	2	73
Male					
1978	17	3	15	1	63
1977	20	3	11	2	64
Pre study	17	2	9	1	70
Female					
1978	12	1	10	1	75
1977	14	*	7	2	77
Pre study	10	1	9	2	76
25-39 years of age					
1978	11	2	13	1	73
1977	15	1	9	1	74
Pre study	8	1	12	1	77
Married					
1978	15	2	12	1	69
1977	18	2	9	1	70
Pre study	14	2	9	2	73
Single					
1978	12	3	14	*	70
1977	16	1	9	2	72
Pre study	11	1	11	1	75
Midwest					
1978	11	2	12	1	73
1977	16	2	8	1	73
Pre study	12	1	10	1	76
West					
1978	14	1	15	1	67
1977	18	1	10	3	69
Pre study	13	1	11	2	73

TABLE IV (Cont'd)

OPINION ON WHO SHOULD DECIDE ON USE OF NATURAL RESOURCES
(Significant differences in 1978)

	WHO SHOULD DECIDE				
	Government %	Business %	Consumers %	Labor %	All %
Employed					
1978	13	2	13	1	70
1977	16	1	9	2	72
Pre study	14	2	6	1	74
Employed male					
1978	16	3	14	1	65
1977	19	3	10	2	66
Pre study	16	2	8	1	71
Employed female					
1978	9	1	10	1	79
1977	12	*	6	1	81
Pre study	9	1	8	1	80
Clerical/Sales					
1978	10	2	11	1	76
1977	15	1	8	2	74
Pre study	8	1	12	1	78
Service worker					
1978	12	2	14	1	70
1977	17	2	10	3	68
Pre study	13	1	8	1	77
$10,000-$14,999 income					
1978	12	2	12	2	71
1977	17	1	7	2	73
Pre study	15	1	9	2	73
$15,000-$19,999 income					
1978	13	2	11	1	71
1977	17	1	8	2	72
Pre study	12	2	8	2	75
Non union member					
1978	13	2	13	1	71
1977	17	2	11	3	69
Pre study	15	2	9	3	71

TABLE IV (Cont'd)

OPINION ON WHO SHOULD DECIDE ON USE OF NATURAL RESOURCES
(Significant differences in 1978)

	WHO SHOULD DECIDE				
	Government %	Business %	Consumers %	Labor %	All %
8th grade or less					
1978	16	1	11	3	63
1977	24	3	7	4	60
Pre study	20	2	7	8	61
Some high school					
1978	15	2	13	2	68
1977	20	3	12	4	61
Pre study	16	2	11	3	67
Trade/vocational school					
1978	12	1	12	1	73
1977	20	-	8	1	71
Pre study	19	3	10	2	66
College graduate					
1978	14	2	11	*	72
1977	18	2	8	1	72
Pre study	12	2	6	1	78
Somewhat conservative					
1978	14	2	11	1	70
1977	17	1	9	2	71
Pre study	14	1	9	2	73
Extremely conservative					
1978	17	3	17	1	61
1977	25	3	11	2	58
Pre study	10	3	12	5	67
White					
1978	15	2	12	1	70
1977	17	1	9	2	71
Pre study	13	1	9	2	74
Aware of advertising					
1978	13	2	**12	**1	71
1977	15	2	7	3	75
Not aware of advertising					
1978	15	2	**12	1	69
1977	17	2	9	2	70

* Less .5%
** Significant in 1978 at the 95% level of confidence.

OPINION ON IMPORTANCE OF KNOWLEDGE OF ECONOMIC SYSTEM

Virtually all Americans believe that it is important to understand the economic system and what it is about.

Despite the high level of people answering "very important" in 1977, an increase is still registered in 1978, and almost all sectors of the population exhibit this pattern.

Special note is taken of the significantly greater importance in knowledge of the economic system expressed by blacks.

Those aware of the campaign also attach more importance to this knowledge than those not aware.

TABLE V

OPINION ON IMPORTANCE OF KNOWLEDGE OF ECONOMIC SYSTEM
(Significant Changes in 1978)

QUESTION: "Some people say knowing how the economic system works is important for everyone in making decisions as voters and consumers. How do you feel? Do you think knowledge of the economic system is very important, somewhat important, not very important or not at all important?"

	IMPORTANCE			
	Very %	Somewhat %	Not Very %	Not at All %
Total population				
1978	84	14	1	*
1977	81	17	1	*
Pre study	82	16	1	1
Male				
1978	84	14	1	1
1977	81	17	1	1
Pre study	80	17	1	1
Under 25 years of age				
1978	84	15	1	*
1977	79	19	1	1
Pre study	76	20	2	2
40-59 years of age				
1978	86	12	1	*
1977	81	16	2	*
Pre study	84	13	1	1
Retired				
1978	85	12	2	*
1977	78	18	2	1
Pre study	87	11	1	1
College graduate				
1978	88	10	1	*
1977	85	14	1	*
Pre study	84	15	1	*
Somewhat liberal				
1978	84	15	1	*
1977	80	18	1	*
Pre study	82	16	1	1

TABLE V (Cont'd)

OPINION ON IMPORTANCE OF KNOWLEDGE OF ECONOMIC SYSTEM
(Significant Changes in 1978)

	IMPORTANCE			
	Very %	Somewhat %	Not Very %	Not at All %
Conservative				
1978	83	14	1	*
1977	80	17	2	1
Pre study	82	16	1	1
Black				
1978	83	13	1	1
1977	74	22	3	1
Pre study	76	18	2	2
Aware of advertising				
1978	87	12	1	*
1977	88	11	*	*
Not aware of advertising				
1978	83	15	1	1
1977	80	18	2	*

The difference between the aware and not aware of advertising believing that knowledge of the economic system is very important is significant at the 95% level of confidence.

* Less than .5%

RATING OF SELF-KNOWLEDGE OF ECONOMIC SYSTEM

While there was no change from 1977 to 1978 in how people view their own knowledge of the economic system, it is up from two years ago.

Some groups show important gains in self-appraisal on their knowledge compared to 1976. They include women, especially the employed, those living in the Northeast, the retired, clerical/sales workers, medium income people, and extreme conservatives.

TABLE VI

RESPONDENT'S OPINION OF OWN KNOWLEDGE OF ECONOMIC SYSTEM
(Significant Changes in 1978)

QUESTION: "Thinking of your own knowledge of how the economic system works, would you say you know a great deal about it, you know something about it, you know very little about it, you know practically nothing about it?"

	KNOW ABOUT ECONOMIC SYSTEM			
	Great Deal %	Something %	Very Little %	Practically Nothing %
Total population				
1978	7	56	32	5
1977	7	56	32	4
Pre study	5	54	33	7
Female				
1978	3	53	37	7
1977	3	50	41	6
Pre study	2	49	40	9
Northeast				
1978	8	60	27	5
1977	10	56	32	2
Pre study	6	56	32	6
Employed female				
1978	4	57	34	5
1977	3	53	38	6
Pre study	2	51	39	8
Retired				
1978	8	50	35	7
1977	8	49	39	4
Pre study	5	40	45	10
Clerical/Sales worker				
1978	8	61	27	4
1977	7	56	33	4
Pre study	5	55	34	6
$7,000 - $9,999 income				
1978	2	51	36	11
1977	4	47	41	8
Pre study	5	42	45	8

TABLE VI (Cont'd)

RESPONDENT'S OPINION OF OWN KNOWLEDGE OF ECONOMIC SYSTEM
(Significant Changes in 1978)

	KNOW ABOUT ECONOMIC SYSTEM			
	Great Deal	Something	Very Little	Practically Nothing
	%	%	%	%
$10,000-$14,999 income				
1978	6	57	34	3
1977	7	57	34	2
Pre study	4	54	34	8
Extreme conservative				
1978	13	52	31	4
1977	14	42	38	6
Pre study	4	42	40	14
Aware of advertising				
1978	10	62	25	3
1977	11	69	18	2
Not aware of advertising				
1978	6	54	34	6
1977	7	54	34	5

The differences between the aware and not aware of advertising in 1978 rating their knowledge as great deal, something and very little are significant at the 95% level of confidence.

INTEREST IN ECONOMIC SYSTEM VERSUS A YEAR AGO

Almost two-thirds (64%) of all American adults say they are more interested in the economic system of our country than they were a year ago. This shows growth over last year.

Added interest is especially pronounced in the West and Midwest, among students, those traditionally more knowledgeable (better educated, higher income, professional/managerial) and liberals. Also very much more interest is expressed by the middle income group, those earning $15,000 to $19,999. Those aware of the campaign/booklet also express above average interest in the economic system.

TABLE VII

RESPONDENT'S INTEREST IN ECONOMIC SYSTEM COMPARED TO A YEAR AGO
(Significant Change in 1978)

QUESTION: "Compared with a year ago, would you say that in general, you are most interested in the American economic system, less interested in the American economic system or don't you see any change?"

	INTEREST		
	More %	Less %	About the Same %
Total population			
1978	64	3	33
1977	61	4	35
Male			
1978	62	4	34
1977	58	5	37
Midwest			
1978	64	2	34
1977	59	4	37
West			
1978	70	3	27
1977	59	3	38
Student			
1978	76	7	17
1977	60	6	34
Professional/Managerial			
1978	67	3	30
1977	62	3	35
$15,000-$19,999 income			
1978	66	2	31
1977	60	3	37
$20,000 + income			
1978	68	2	30
1977	61	3	36

TABLE VII (Cont'd)

RESPONDENT'S INTEREST IN ECONOMIC SYSTEM COMPARED TO A YEAR AGO
(Significant Change in 1978)

	INTEREST		
	More %	Less %	About the Same %
College graduate			
1978	66	2	32
1977	56	2	42
Liberal			
1978	66	3	31
1977	60	4	36
Somewhat liberal			
1978	67	2	30
1977	62	3	35
Aware of advertising			
1978	68	4	28
1977	63	3	34
Not aware of advertising			
1978	63	3	34
1977	60	4	36

The differences between the aware and not aware of advertising in 1978 rating interest as more interested and about the same are significant at the 90% and 95% levels, respectively.

AWARENESS OF ADVERTISING

ABOUT ECONOMIC SYSTEM

Overall consciousness of any advertising about the economic system was mentioned by 31% of the sample...the same as last year.

Only 1% made unaided, voluntary comments that are so specific and unique to be attributable to the Advertising Council's campaign. This is down from the 7% of last year.

Other comments and references were very similar to those made in 1976 referring to company/business advertising, the value of the economic system, saying the system is good, economy is improving, etc.

Altogether, the total "Aware" group comprises 20% of the general public. This 20% is the net of those with proven awareness of the advertising, awareness of the booklet, and awareness of the supplement.

Awareness is above average among males, those 25-39 years of age, single people, students, professional/managerial, those earning $10,000-$14,999, or over $20,000, college graduates and extremely liberal.

Direct Awareness of the campaign through media advertising (TV + supplement) is especially high among the retired, the unemployed, those with less education, the extremely conservatives and blacks.

Fourteen percent (14%) are directly aware of the advertising and/or the booklet. This is up from 12% last year. Most of this stems from greater awareness of the booklet.

Sponsorship of any advertising is generally not known. There were no mentions of the Advertising Council.

Nine percent (9%) saw the campaign through the booklet/supplement which was carried by newspapers.

TABLE VIII

AWARENESS OF ADVERTISING/ADVERTISING ABOUT

ECONOMIC SYSTEM

	AWARE OF ADVERTISING CAMPAIGN		
	Total %	Advertising %	Presentation %
Total Population	31	27	4
Male	35	31	4
25-39 years of age	36	32	4
Single	36	30	6
Employed male	36	32	4
Student	43	38	5
Professional/Managerial	40	35	5
$10,000 - $14,999 income	34	30	4
$20,000 plus income	37	32	5
Non union member	34	30	4
Some college	34	30	4
College graduate	44	38	6
Extremely liberal	42	37	5

NOTE: Respondents were asked, "Have you seen or heard any advertising about the American economic system?" If they said, "NO", they were asked, "Have you seen any presentations about the American economic system?"

SOURCE OF CAMPAIGN AWARENESS
(Above Average Awareness)

	Proven Awareness of Advertising Campaign	SPECIFIC AWARENESS	
		Booklet	Supplement
	%	%	%
Total population	20	14	9
Under 25 years of age	23*	18*	8
25-39 years of age	21	18*	7
60+ years of age	18	9	12*
Single	23*	19*	7
Student	25*	24*	8
Retired	17	8	11*
Unemployed	24*	13	10
Clerical/Sale worker	24*	19*	11
Service worker	23*	18*	9
Under $7,000 income	18	7	13*
$10,000-$14,999 income	24*	18*	9
8th grade or less	17	5	13*
College graduate	23*	19*	8
Extreme conservative	22*	9	13*
Black	25*	16*	14*

Note: Total campaign awareness is the net figure for advertising, booklet, and supplement awareness.

* Above average awareness

ACQUISITION OF THE BOOKLET

Altogether 6% of all Americans reported getting the booklet (double the 1977 figure of 3%) with 1% writing for it and 5% getting it from other sources.

Those groups who were above average in receiving the booklet include the younger people (under 25 years of age) and students, those with family incomes $10,000 to $19,999 and who who attended trade school. This suggests booklet distribution on the job or through trade organizations.

College graduates, students and the extremely liberal were more likely than average to write for the booklet.

Twenty-eight percent (28%) of the aware group obtained the economic booklet from writing and other sources. This compares with 23% the previous year.

ACQUISITION OF BOOKLET
(Above Average Acquisition)

	RECEIVED COPY OF BOOKLET		
	Total %	Wrote for Booklet %	Received Booklet from other source %
Total population	6	1	5
Under 25 years of age	8	1	7
25-39 years of age	7	1	6
Single	9	1	8
Midwest	7	2	5
Employed female	7	1	6
Student	13	2	11
Clerical/Sales	10	2	8
$10,000-$14,999 income	8	1	7
Trade/Vocational school	8	1	7
College graduate	8	2	6
Extremely liberal	7	3	4
Somewhat liberal	7	1	6
Black	7	1	6
Aware of advertising	28	5	23

APPENDIX

OVERALL MEASURE OF ECONOMIC KNOWLEDGE

There was an overall decrease in the public's knowledge of the economic system as measured by the twenty-two (22) agree-disagree statements which were asked in the pre study and both past studies.

In the pre-study, the average number of correct answers was 15.63. This increased in 1977 to 15.84 and decreased this year to 15.52.

APPENDIX i

AVERAGE NUMBER OF STATEMENTS ANSWERED CORRECTLY
(Based on all 22 statements)

Major groups showing significant decreases compared with 1977

	AVERAGE NUMBER CORRECT		
	1978	1977	Pre Study
Total Population	15.52	15.84*	15.63*
Male	15.91	16.08*	15.90
Female	15.12	15.61*	15.35*
Under 25 years of age	15.41	15.84*	15.10*
25-39 years of age	15.70	15.90*	15.90*
40-59 years of age	15.54	15.94*	15.80*
60 + years of age	15.21	15.59*	15.32
Northeast	15.36	15.82*	15.70*
Midwest	15.62	15.97*	15.64
South/Southwest	15.41	15.83*	15.54
Total employed	15.65	16.04*	15.83*
Employed male	15.95	16.19*	16.06
Employed female	15.19	15.78*	15.45*
Homemakers	15.19	15.57*	15.49*
Retired	15.13	15.48*	15.30
Professional/Managerial	16.07	16.42*	16.35*
$ 7,000 - $ 9,999	14.83	15.45*	15.24*
$15,000 - $19,999	15.75	16.05*	16.03*
$20,000 +	15.99	16.50*	16.41*

APPENDIX i (Cont'd)

AVERAGE NUMBER OF STATEMENTS ANSWERED CORRECTLY
(Based on all 22 statements)

	AVERAGE NUMBER CORRECT		
	1978	1977	Pre Study
Less than 8th grade	14.06	14.93*	14.71*
Some high school	14.82	15.16*	14.80
High school graduate	15.27	15.59*	15.41
Trade/Vocational school	15.17	15.66*	15.37
Some college	15.71	16.00*	15.77
Aware of advertising	15.53	16.13*	--
Not aware of advertising	15.51	15.80	--

Note: In 1978, there is no significant difference in the number of statements answered correctly between those aware and those not aware of advertising.

In 1977, "aware of advertising" were those people who gave unique recall of the advertising, or mentioned the booklet. In 1978, "aware of advertising" also includes people who are aware of the newspaper supplement.

---

* Significantly higher than 1978 (80% level).
** Significantly lower than 1978 (80% level).

This is to be interpreted as follows: If the difference between two numbers is significant at the 80% level, there are 80 chances in 100 that differences as large as those shown are real.

STATEMENTS REGISTERING INCREASES/DECREASES IN CORRECT RESPONSE

Of the twenty-two statements, on only two did the general population register a significant increase in correct response in the 1978 post-phase.

On thirteen of the statements, decreases in correct response levels was noted.

On seven statements, no appreciable change was recorded between the two post phases.

APPENDIX ii

STATEMENTS SHOWING SIGNIFICANT INCREASES IN CORRECT RESPONSE

	PERCENT ANSWERING CORRECTLY		
	1978	1977	Pre Study
U.S. has highest productivity growth rate of leading industrial countries (disagree)	34.1 [3]	29.7 [3]	25.5
Most people are involved in the economic system only as consumers (disagree)	42.2 [3]	38.6	38.6

[3] Significant at 95% confidence level from previous year.

APPENDIX iii

STATEMENTS SHOWING SIGNIFICANT DECREASES IN CORRECT RESPONSE

	PERCENT ANSWERING CORRECTLY		
	1978	1977	Pre Study
Overall, the American economic system offers more freedom and opportunity to better oneself than other economic systems	90.8 [3]	92.8 [1]	91.6
One cause of inflation is that people buy too much and create big demand for products and services	56.2 [3]	59.3 [1]	57.3
Our economic system is based on the opportunity for selling of goods and services to make a profit	92.6 [1]	93.9 [3]	90.9
Investors keep business growing and create jobs by providing money for business and growth	83.8 [3]	86.8 [2]	84.7
Government should help promote fair economic competition among businesses	70.3 [1]	72.3	71.6
Money to buy new machinery, equipment and new plants comes mainly from business profits	69.1 [2]	71.6	72.9
Government sets a limit on the profits a company can make (disagree)	59.5 [1]	61.9	60.7
White and black families have about the same average income (disagree)	82.9 [1]	85.2 [3]	82.6
One cause of inflation is higher wages without increased productivity of labor	73.2 [3]	76.2 [1]	74.0
The average profit that manufacturing industries make on sales before they pay income tax is 8.2%	25.0 [3]	31.3	32.3
In general, when business profits are up, times are good and life is better for more people	78.3 [3]	81.0	81.1

APPENDIX iii (Cont'd)

STATEMENTS SHOWING SIGNIFICANT

DECREASES IN CORRECT RESPONSE

	PERCENT ANSWERING CORRECTLY		
	1978	1977	Pre Study
All business profits go to stockholders as dividends (disagree)	69.9 [3]	75.1 [3]	70.5
In our economic system the consumer has not control over what business does (disagree)	60.1 [3]	63.3 [1]	61.2

[1] Significant at the 80% level of confidence from the previous year.
[2] Significant at the 90% level of confidence from the previous year.
[3] Significant at the 95% level of confidence from the previous year.

APPENDIX iv

STATEMENTS SHOWING NO SIGNIFICANT

CHANGES IN CURRENT RESPONSE

	PERCENT ANSWERING CORRECTLY		
	1978	1977	Pre Study
Business alone decides what will be produced (disagree)	60.8	62.0 [1]	59.8
Prices are affected by how much goods is available and how many people wnat it	87.8	87.9	87.3
The primary role of business is to provide goods and services the country needs	74.8	75.0 [3]	77.9
A major role of government in the economic system should be protection of health and safety	85.5	85.8 [2]	87.8
When people want more goods, manufacturers produce more	70.5	71.2	71.5
Without labor no goods or services could be produced or distributed	95.0	94.6	93.7
The American economic system is based on competition between producers	89.5	89.0	89.3

[1] Significant at the 80% level of confidence from the previous year.
[2] Significant at the 90% level of confidence from the previous year.
[3] Significant at the 95% level of confidence from the previous year.

GROUPS SHOWING GREATEST/LEAST KNOWLEDGE OF ECONOMIC SYSTEM

The most knowledgeable groups continue to be the higher income, better educated, and professional/managerial class. Students, this year, are also found in this category.

As was found in the previous studies, the least knowledgeable are the lower income, less educated, blacks and extremely liberal. The unemployed and retired no longer fall in this category.

APPENDIX v

AVERAGE NUMBER OF STATEMENTS ANSWERED CORRECTLY
(Based on all 22 statements)

	AVERAGE NUMBER CORRECT		
	1978	1977	Pre Study
Total Population	15.52	15.84	15.63
Groups Getting Highest Number Correct			
Students	16.03	15.73	15.24
Professional/Managerial	16.07	16.42	16.35
$20,000 income	15.99	16.50	16.41
College graduate	16.31	16.50	16.56
Groups Getting Lowest Number Correct			
Blacks	14.72	14.89	14.64
Under $7,000 income	14.80	14.89	15.01
Less than 8th grade	14.06	14.93	14.71
Extreme liberal	14.36	15.48	14.97

EIM Assoc., Inc.
Morganville, NJ 07751

Study [illegible]
June 1978

Time started: _____

Area #: _____

AWARENESS STUDY

Male ( )
Female ( )

Hello. I am _____ from **Edwards & Moreto** Associates, Inc. We are doing a public opinion study **among people** in all walks of life on their opinions about **the American economic system.**

I am going to read you a number of different statements that other people make about the economic system. For each tell me whether you agree or disagree.

	AGREE	DISAGREE
1. Overall, the American economic system offers more freedom and opportunity to better oneself than other economic systems.	( )9-1	( )-2
2. One cause of inflation is that people buy too much and create a big demand for products and services.	( )10-1	( )-2
3. Our economic system is based on the opportunity for sellers of goods and services to make a profit.	( )11-1	( )-2
4. Investors keep business going and create jobs by providing the money for business growth and operation.	( )12-1	( )-2
5. The United States has the highest productivity growth rate of the leading industrial countries.	( )13-1	( )-2
6. Business alone decides what will be produced.	( )14-1	( )-2
7. The government should help promote fair economic competition among businesses.	( )15-1	( )-2
8. Prices are affected by how much goods is available and how many people want it.	( )16-1	( )-2
9. The money to buy new machinery, equipment and new plants comes mainly from business profits.	( )17-1	( )-2
10. The government sets limits on the profits a company can make.	( )18-1	( )-2
11. White families and black families have about the same average family income.	( )19-1	( )-2
12. Most people are involved in the economic system only as consumers.	( )20-1	( )-2
13. The primary role of business is to provide the goods and services the country needs.	( )21-1	( )-2
14. One cause of inflation is higher wages without increased productivity of labor.	( )22-1	( )-2

		AGREE	DISAGREE
15.	A major role of the government in the economic system should be the protection of health and safety.	( )23-1	( )-2
16.	The average profit that manufacturing industries make on sales before they pay income tax is 8.2%.	( )24-1	( )-2
17.	When people want more goods, manufacturers produce more.	( )25-1	( )-2
18.	In general, when business profits are up, times are good and life is better for more people.	( )26-1	( )-2
19.	Without labor no goods or services could be produced or distributed.	( )27-1	( )-2
20.	The American economic system is based on competition between producers.	( )28-1	( )-2
21.	All business profits go to stockholders as dividends.	( )29-1	( )-2
22.	In our economic system, the consumer has no control over what business does.	( )30-1	( )-2

31-X

23. I am going to read some statements. Tell me which comes closest to how you feel.

The American economic system:

Is good the way it is and needs no change. ( )32-1

Is good but could stand a change or two. ( ) -2

Has some good things about it but needs a number of changes. ( ) -3

Needs many changes before it can be called good. ( ) -4

29a. Compared with a year ago, would you say that in general, you are more interested in the American economic system, less interested in the American economic system or don't you see any change.

More interested ( )48-1 - ASK Q.29b

Less interested ( ) -2 - GO TO Q.30
About the same ( ) -3 -

b. (IF MORE INTERESTED): Why do you think you are more interested in the American economic system now than a year ago?

_____ 49-

_____ 50-

_____ 51-

_____

30. Have you seen or heard any advertising about the American economic system?

YES ( )52-1 (ASK Q.30a) NO ( )52-x (ASK. Q.30b)

30a. Who sponsored the advertising?

_____

GO TO Q.30c

b. Have you seen any presentation about the American economic system?

YES ( )53-1 (CONTINUE) NO ( )-2 (GO TO Q.31a)

c. What do you remember about the advertising or presentation for the American economic system? What else do you remember?

_____ 54-

_____ 55-

_____ 56-

_____ 57-

d. What did they say in the advertising or presentation about the American economic system? What else?

_____

_____

_____

_____

CLASSIFICATION DATA

A. Are you married, single, widowed, separated, or divorced?

Married	( )71	-1
Single	( )	-2
Widowed	( )	-3
Separated	( )	-4
Divorced	( )	-5

B. What is the name of the last school you attended? _____

What was the last grade you completed in school? (READ LIST)

Eighth grade or less	( )71	-6
Some high school	( )	-7
Completed high school	( )	-8
Trade or vocational school	( )	-9
Some college	( )	-0
Completed college or better	( )	-X

C. Which phrase corresponds best to the occupation group that describes you personally?

Employed full-time	( )72	-1	ASK Q.D
Employed part-time	( )	-2	ASK Q.D
Homemaker full-time	( )72	-3	SKIP TO Q.F
Student full-time	( )	-4	SKIP TO Q.F
Retired	( )	-5	SKIP TO Q.F
Unemployed but available to work	( )	-6	SKIP TO Q.F

D. What kind of work do you yourself do? (PROBE FOR DETAILS)

_____ _____ 73-

(Type of work) (Title)

_____

(Description of place of employment)

E. Are you a member of a labor union?

YES ( )74 -1 NO ( )-2

ASK EVERYONE:

F. In what age bracket are you? Are you...

Under 18	( ) 75-1	
18-24	( )	-2
25-29	( )	-3
30-39	( )	-4
40-49	( )	-5
50-59	( )	-6
60 & over	( )	-7

G. Thinking of your general outlook politically and socially, would you describe yourself as extremely conservative, somewhat conservative, somewhat liberal, or extremely liberal?

Extremely conservative	( ) 75-X	
Somewhat conservative	( )	-0
Somewhat liberal	( )	-9
Extremely liberal	( )	-8

H. Do you have a listed telephone?

YES ( ) 76-1 _____ NO ( ) -2

I. Counting the income of all the family members who live in your home and including income from all sources - please tell me the group into which your total yearly income falls before taxes and other deductions.

Under $4,000	( ) 77-1	$ 8,000 - $ 9,999	( ) -6
$4,000 - $4,999	( ) -2	$10,000 - $14,999	( ) -7
$5,000 - $5,999	( ) -3	$15,000 - $19,999	( ) -8
$6,000 - $6,999	( ) -4	$20,000 - $24,999	( ) -9
$7,000 - $7,999	( ) -5	$25,000 and over	( ) -0

J. Please tell me, are you white, black, or some other race?

RACE:	White	( ) 78-1
	Black	( ) -2
	Other	( ) _____ (specify)
RECORD SEX:	Male	( ) -3
	Female	( ) -4

RESPONDENT'S NAME: _____ TEL.# _____ 79-

ADDRESS: _____ CITY/STATE _____ 80-

INTERVIEWER'S NAME _____

TIME INTERVIEW ENDED _____ DATE _____

29a. Compared with a year ago, would you say that in general, you are more interested in the American economic system, less interested in the American economic system or don't you see any change.

More interested ( )48-1 - ASK Q.29b

Less interested ( ) -2 - GO TO Q.30
About the same ( ) -3 -

b. (IF MORE INTERESTED): Why do you think you are more interested in the American economic system now than a year ago?

_____ 49-

_____ 50-

_____ 51-

_____

30. Have you seen or heard any advertising about the American economic system?

YES ( )52-1 (ASK Q.30a) NO ( )52-x (ASK. Q.30b)

30a. Who sponsored the advertising?

_____

GO TO Q.30c

b. Have you seen any presentation about the American economic system?

YES ( )53-1 (CONTINUE) NO ( )-2 (GO TO Q.31a)

c. What do you remember about the advertising or presentation for the American economic system? What else do you remember?

_____ 54-

_____ 55-

_____ 56-

_____ 57-

d. What did they say in the advertising or presentation about the American economic system? What else?

_____

_____

_____

_____

30e. What did they show in the advertising or presentation about the American economic system? What else?

_____

_____

_____

_____

f. What ideas about the American economic system did you get from the advertising or presentation?

_____

_____

_____

_____

g. Do you remember an offer for a free booklet in the advertising?

YES ( )58-1 (CONTINUE) NO ( )-2 (GO TO Q.31a)

h. Did you write for the booklet?

YES ( )-3 (GO TO Q.32) NO ( )-4 (ASK Q.31a)

31a. Did you happen to receive or see a booklet titled "The American Economic System... and your part in it?"

YES ( )-5 (ASK Q.31b) NO ( )-6 (GO TO Q.32)

b. Where did you get or see it?

_____59-

_____60-

_____61-

_____

32. Did you see a newspaper supplement entitled, "The American Economic System"?

YES ( )62-1 NO ( )-2

63-X